## Montana Board of Oil and Gas Conservation Environmental Assessment

| Operator: Newfield Production Company   |
|---|
| Well Name/Number: Gustafson #1-13PH   |
| Location: NW NW Section 13 T31N R9W   |
| County: Glacier , MT; Field (or Wildcat) W/C  |
| Air Quality   |
| (possible concerns)   |
| Long drilling time: 15 to 30 days drilling time.  |
| Unusually deep drilling (high horsepower rig): No, triple derrick drilling rig for a 8247'TD                            |
| vertical hole, Cambrian Formation test.   |
| Possible H2S gas production: Possible H2S.  |
| In/near Class I air quality area: Yes, Class I air quality area, Blackfeet Reservation.                                 |
| Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required                            |
| under 75-2-211.   |
| Mitigation:   |
| X Air quality permit (AQB review)   |
| Gas plants/pipelines available for sour gas   |
| Special equipment/procedures requirements   |
| Other:  |
| Comments: Triple derrick drilling rig to drill a vertical Cambrian Formation test to                                    |
| <u>8247' TD.</u>  |
|   |
| Water Quality   |
| (possible concerns)   |
| Salt/oil based mud: <u>Use freshwater and freshwater mud system on drilling surface and</u>                             |
| main vertical hole to total depth.  |
| High water table: No high water table anticipated.  |
| Surface drainage leads to live water: Yes, unnamed ephemeral tributary drainage to the                                  |
| Two Medicine River, about ¼ of a mile to the west northwest and 3/8 of a mile to the                                    |
| northeast from this location.  Water well contamination No, water wells nearby or within 1 mile of this location in any |
| direction. Surface casing hole will be drilled with freshwater and freshwater muds to                                   |
| 1000' and steel surface casing run and cemented to surface to protect groundwater.                                      |
| Porous/permeable soils: Yes, sandy silty soils.   |
| Class I stream drainage: Closest Class I stream drainage is the Two Medicine River,                                     |
| about 1.5 miles to the north from this location.  |
| Mitigation:   |
| X Lined reserve pit   |
| X Adequate surface casing   |
| Berms/dykes, re-routed drainage   |
| Closed mud system   |
| Off-site disposal of solids/liquids (in approved facility)  |
| Other:  |
| Comments: 1000' of surface casing cemented to surface adequate to protect   |
| freshwater. Also, fresh water mud systems to be used on surface hole and  |
| intermediate string hole.   |

Soils/Vegetation/Land Use

| (possible concerns)  |
|--|
| Steam crossings: None anticipated.   |
| High erosion potential: No, small cut, up to 1.3' and small fill required up to 2.5',  |
| required.  |
| Loss of soil productivity: No, location will be restored after drilling, if nonproductive. If  |
| productive unused portion of drillsite will be reclaimed.  |
| Unusually large wellsite: No, large, 420'X320' location size required.   |
| Damage to improvements: Slight, surface use is cultivated fields.  |
| Conflict with existing land use/values: Slight   |
| Mitigation   |
| Avoid improvements (topographic tolerance)   |
| Exception location requested   |
| X Stockpile topsoil  |
| Stream Crossing Permit (other agency review)   |
| X Reclaim unused part of wellsite if productive  |
| Special construction methods to enhance reclamation<br>Other   |
| Comments: Using existing highway, US Highway 89 and existing ranch trail. Access   |
| off existing ranch trail, approximately 1/16 of a mile of new road will be constructed into  |
| this location. Cuttings will buried in the lined reserve pit. Drilling fluids will be allowed to   |
| dry in the lined pit. Pit will be backfilled when dry. No special concerns   |
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| Health Hazards/Noise   |
|  |
| (possible concerns)  |
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Conflict with game range/refuge management: No
Threatened or endangered Species: Species identified as threatened or endanger in Glacier County are Grizzly Bear, Canada Lynx and Bull Trout. Candidate species are

Creation of new access to wildlife habitat: No

| the Wolverine, Sprague's Pipit and the Meltwater Lednian Stonefly. NH tracker website    |
|--|
| lists 0 species of concern.  |
| Mitigation:  |
| Avoidance (topographic tolerance/exception)  |
| Other agency review (DFWP, federal agencies, DSL)  |
| Screening/fencing of pits, drillsite   |
| Other:<br>Comments: Private cultivated surface lands. Drilling of this well should not   |
| impact any of species listed above. No concerns  |
| impact arry or species listed above. Two confectins                                      |
|  |
| Historical/Cultural/Paleontological  |
| (possible concerns)  |
| Proximity to known sites None identified   |
| Mitigation   |
| avoidance (topographic tolerance, location exception)                                    |
| other agency review (SHPO, DSL, federal agencies)  |
| Other:   |
| Comments: Private cultivated surface lands. No concerns.                                 |
|  |
| Social/Economic  |
| (possible concerns)  |
| Substantial effect on tax base   |
| Create demand for new governmental services  |
| Population increase or relocation  |
| Comments: No concerns  |
|  |
| Remarks or Special Concerns for this site  |
|  |
| Well is a vertical Cambrian Formation test hole to 8247'.                                |
|  |
| Summary: Evaluation of Impacts and Cumulative effects                                    |
| No long term impacts expected . Some short term impacts will occur.                      |
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|  |
| I conclude that the approval of the subject Notice of Intent to Drill (does/does not)    |
| constitute a major action of state government significantly affecting the quality of the |
| human environment, and (does/does not) require the preparation of an environmental       |
| impact statement.  |
|  |
| Prepared by (BOGC):_\s\Steven Sasaki   |
| (title:) Chief Field Inspector   |
| Date: <u>June 19, 2011</u>   |
| Other Persons Contacted:   |
| Other Persons Contacted:   |
| <br>Montana Bureau of Mines and Geology, GWIC website                                    |
| (Name and Agency)  |
|  |

| Glacier County water wells   |
|--|
| (subject discussed)  |
| <u>June 19, 2011</u>   |
| (date)   |
| US Fish and Wildlife, Region 6 website (Name and Agency) ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA COUNTIES, Glacier County (subject discussed) |
| _June 19, 2011   |
| (date)   |
|  |
| Montana Natural Heritage Program Website   |
| (Name and Agency)  |
| Heritage State Rank= S1, S2, S3 T31N R9W   |
| (subject discussed)  |
| June 19, 2011  |
| (date)   |
|  |
| If location was inspected before permit approval:  |
| Inspection date:   |
| Inspector:   |
| Others present during inspection:  |